REMARKS

The following issues are outstanding in the present application:

- Claims 22-28 and 32-38 have been rejected under 35 U.S.C. 102(b); and
- Claims 22-38 have been rejected under 35 U.S.C. 103(a).

Claim Amendments

Claims 22, 24, 25 and 27 have been amended in order to more distinctly claim the subject matter of the present invention. Independent claim 22 has been amended to recite "each cut label has one non-adhesive strip and one adhesive portion" and dependent claims 24, 25 and 27 have been amended in order to conform the text with amended claim 22. No new matter has been added.

35 U.S.C. 102(b)

Claims 22-28 and 32-38 have been rejected under 35 U.S.C. 102(b) as having subject matter anticipated by U.S. Patent No. 4,661,189 to Voy. Applicant respectfully traverses this rejection.

Voy is directed to a method for forming labels in a single continuous process which includes an adhesive application assembly for applying adhesive to the carrier sheet which is thereafter bonded to the element sheet. An inventive feature of the Voy method is the avoidance of having to purchase and maintain an inventory of prelaminated stock of web material. In the Voy method an adhesive printing head applies a predetermined zone or zones of adhesive on the front surface of the carrier sheet for each label to be manufactured (Col. 8, lines 54-59 and Col. lines 45-48). The carrier sheet and the element sheet are then married together so that the print and zone(s) of adhesive for each label are disposed in engagement with each other (Col. 9, lines 5-9 and Col. 11, lines 55-60). The labels formed according to the Voy method have different zones of adhesive and non-adhesive areas. The labels disclosed in Fig. 9 have four zones of adhesive and multiple non-adhesive areas. The labels disclosed in Fig. 10 have two zones of adhesive and multiple non-adhesive areas. The labels disclosed in Figs. 5 and 11 have one adhesive zone and a non-adhesive periphery. The labels disclosed in Fig. 12 have four zones of adhesive and multiple non-adhesive areas.

For a prior art reference to anticipate, "every element of the claimed invention must be identically shown in a single reference." *In re Bond,* 910 F.2d 831 (Fed. Cir 1990). Further, "to anticipate a claim, a reference must disclose every element of the challenged claim and enable one of ordinary skill in the art to make the anticipating subject matter." *PPG Indus., Inc. v. Guardian Indus. Corp.*, 37 U.S.P.Q.2d 1618 (Fed.Cir. 1996). Applicant respectfully submits that the Voy reference does not teach providing a web consisting of an adhesive label substrate having a face material, an adhesive layer and a liner and configuring a plurality of labels on the web wherein a first portion of each label overlays a non-adhesive strip and a second portion of each label overlays an adhesive portion. This is because in the Voy method the pattern of adhesive placed on the carrier sheet is customized based on the configuration of the labels being formed. The adhesive printing head applies the adhesive to the carrier sheet in discrete zones that match the selected label being formed. The non-adhesive areas are those areas in which no adhesive is applied. The method of Voy forms a web with discrete areas of adhesive between a carrier sheet and an element sheet as part of the label making process rather than providing a web consisting of an adhesive label substrate having a face material, an adhesive layer and a liner prior to positioning the web in a label conversion machine.

Applicant also respectfully submits that nowhere does the Voy reference teach or disclose a plurality of cut labels in which each cut label has one non-adhesive strip and one adhesive portion. The labels of the Voy reference have multiple non-adhesive areas and three of the five disclosed labels have more than one zone of adhesive. Applicant respectfully submits that the non-adhesive periphery of the circular label of Fig. 11, is not "one non-adhesive strip." This is because claim 22 recites that the labels are formed by providing a web consisting of an adhesive label substrate having a face material, an adhesive layer and a liner, the web having a web width and a web direction, and a plurality of non-adhesive strips positioned between parallel aligned adhesive portions, the strips and portions being oriented in parallel alignment with the web direction. With this configuration of non-adhesive strips and adhesive portions, it would not be possible to form the label of Fig. 11 in the Voy reference. Therefore, Applicant respectfully submits that since Voy fails to teach or suggest each and every limitation of amended independent claim 22, a rejection under 35 U.S.C. 102(b) cannot be sustained. Since the remaining claims depend at least in part from independent claim 22, they are also by definition not anticipated by the Voy reference. Accordingly, Applicant respectfully submits reconsideration and withdrawal of the

outstanding rejection of claims 22-28 and 32-38 under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 4,661,189 to Voy.

35 U.S.C. 103(a)

Claims 22-38 have been rejected under 35 U.S.C. 103(a) as having subject matter unpatentable over Voy. Applicant respectfully traverses this rejection.

To establish a *prima facie* case of obviousness, the claim limitations must be taught or suggested by the prior art. *In re Royka*, 180 U.S.P.Q. 580 (CCPA 1974). As discussed above, an inventive feature of the Voy method is the avoidance of having to purchase and maintain an inventory of prelaminated stock of web material. Voy describes a disadvantage of the prior art is that label manufactures have to buy prelaminated stock that is thereafter printed and die cut to form labels (Col. 2, lines 26-37).

The labels of the subject invention are formed by providing a web consisting of an adhesive label substrate having a face material, an adhesive layer and a liner and a plurality of non-adhesive strips positioned between parallel aligned adhesive portions. The web is positioned in a label conversion machine wherein the web is continuously pulled through the conversion machine in a preselected web direction. The plurality of labels are configuring on the web wherein a first portion of each label overlays a non-adhesive strip and a second portion of each label overlays an adhesive portion. As such, the claimed labels are formed from prelaminated stock that is processed though a label conversion machine in which the labels are printed and die cut. Applicant respectfully submits that the Voy reference teaches away from the subject invention and is therefore a per se demonstration of a lack of *prima facie* obviousness. Accordingly, Applicant respectfully submits reconsideration and withdrawal of the outstanding rejection of claims 22-38 under 35 U.S.C. 103(a) as being unpatentable over Voy.

CONCLUSION

In view of the above, Applicant respectfully submits that each of the presently pending claims in this application is believed to be in condition for allowance. According, the Examiner is respectfully requested to pass this application to issue.

Applicant believes no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 06-2375, under Order No. 10103588 from which the undersigned is authorized to draw.

Respectfully submitted,

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By _____
Jan K. Simpson
Registration No.: 33,283
FULBRIGHT & JAWORSKI L.L.P.
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
(713) 651-5151
(713) 651-5246 (Fax)
Attorney for Applicant